

TOPIC: CCHE MASTER PLANNING: STATE GOALS & COMPARATOR INSTITUTIONS

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I. SUMMARY & BACKGROUND

At its September 8, 2011 meeting, the Colorado Commission on Higher Education informally endorsed the following four preliminary goals as the foundation for its 2012 Statewide Master Plan:

1. Increase degree attainment across Colorado in order to meet future workforce demands. The objective of this goal is to identify projected workforce demand, net of the in-migration of talent to the state, which could be used to both benchmark the state's needs and evaluate future progress.
2. Close gaps in degree attainment among students from traditionally underserved communities, in particular, Latinos, students from rural communities, and students from lower socioeconomic households.
3. Improve outcomes in remedial education by successfully aligning the state's postsecondary admission and remedial policies with the state's K-12 system, by assisting the state's school districts in identifying and addressing students' developmental needs before graduating from high school, and by scaling up successful innovations in remedial/developmental placement and instruction.
4. Pursue public funding that will allow public institutions of higher education to meet projected enrollment demands while maintaining current productivity efficiencies. In addition, pursue public funding to lower the burden on students by achieving a mix of revenues that equals 50 percent state funds and 50 percent tuition and fees. Importantly, while remaining very mindful of the current fiscal conditions in the state and on public campuses, the Commission noted that the potential inability of the state to meet this goal in the near term should not invalidate the previous three goals. In other words, the CCHE argued that each of the goals should be treated as independent of one another.

At that meeting, the CCHE also discussed a variety of statewide goals as well as estimates of the revenues needed to achieve goals one and four. Unlike the content found in the agenda item that was discussed by the CCHE in September, which focused largely on state level concepts, this agenda item intends to provide some perspectives on possible sector and institution-specific performance concepts. Where possible, data from compactor or "peer" institutions is provided. The objective of this process is simply to discuss potential ways to refine broad state level goals

into narrower, more specific sector level and institution level ones. No action will be taken on these concepts. This agenda item is for discussion purposes only.

II. STAFF ANALYSIS

Sector specific goals: One of the more challenging aspects of developing performance plans for higher education systems relates to the great diversity of roles and missions that exist among and between institutions. From major research universities with extensive graduates programs, to regional universities with teaching missions, to open access community colleges and career and technical education institutions, the diversity of institutional types is extensive even in a moderate size state like Colorado. Nonetheless, there are some goals that may more closely relate to particular sectors of institutions than others. It will be important to distinguish these differences in the final master plan and resulting performance contracts.

For purposes of illustrating the differences among and between sectors, the following broad categories will be used in this analysis:

- “Research Universities”
 - o Examples include the University of Colorado – Boulder, Colorado School of Mines, and Colorado State University.
- “Regional Colleges and Universities”
 - o Examples include Colorado Mesa University, Adams State College, and Colorado State University – Pueblo.
- “Community Colleges”
 - o Examples including all institutions in the Colorado Community College System, Aims Community College, Colorado Mountain College, and the area vocation schools.

Though diversity in roles and mission exists in the first category, “**Research Universities**,” these institutions share several attributes, such as selective admission criteria, larger proportions of non-resident students, higher average revenues and costs, and extensive research activities. Consequently, possible performance objectives for this sector of institutions might include the following:

- Increasing the number of graduate degrees awarded or maintaining/improving graduate program productivity
- Increasing the production of “professional” or “STEM” degrees (e.g., engineering, science, health, etc.) per FTE enrolled or per state revenues

- Research/extramural funding per FTE enrolled, per faculty, or per state revenues
- Increasing low income or minority student participation, retention and completion
- Decreasing attainment gaps among students from different backgrounds

“**Regional Colleges and Universities**” share some characteristics of research universities, but typically have moderately selective admission criteria, serve a more regional service area (though not always explicitly so), offer a limited number of graduate programs, and place more emphasis on teaching than research activity. For these institutions, it may make sense to deemphasize research activity and graduate programs and instead place a greater emphasis on undergraduate performance and regional needs, such as:

- Increasing student retention and the production of undergraduate credentials
- Decreasing degree attainment disparities in certain regions of the state
- Decreasing performance gaps for Colorado residents from low income and/or minority households in particular regions of the state
- Addressing regional workforce needs, such as increasing graduates from teacher preparation programs or nursing/health programs.

The final category of public institutions discussed in this agenda item, “**Community Colleges**,” refers to access oriented (i.e., open enrollment) two-year or lower institutions in the state, including all of the institutions in the Colorado Community College System, Aims Community College, Colorado Mountain College, and the area vocational schools (AVSs). These institutions all serve very specific service areas (governing by CCHE Academic Affairs Policy Section I, Part N), have non-selective admission criteria, and often serve a very diverse student population in terms of socioeconomic status, ethnicity, registration status, and age. As a result of these unique characteristics, the CCHE may wish to consider the following kinds of sector-level performance criteria:

- Increasing completion/continuation rates in developmental courses
- Decreasing time to degree for students assigned to developmental courses
- Increasing degrees awarded per FTE enrollments
- Increasing the number of degrees and certificates with high value in local economies
- Increasing the number of successful transfers to four-year colleges and universities in Colorado

Peer Institutions The final level of analysis for the state’s master plan and institution performance contracts regards the comparing of a specific institution’s performance against that

of similar or “peer” institutions. The value of this level of comparison is found in improvements in accuracy and soundness. In other words, this method has the potential to put an institution’s performance into appropriate context. For example, by way of this method, we can compare the performance of, say, Western State College, against that of institutions with similar characteristics, resources, and students populations, rather than attempting to fit a less appropriate comparison. Nonetheless, caution ought to be used when selecting peers and metrics for institution-level analyses, as no institution is exactly similar to another. This is precisely why performance contracts must be negotiated with each governing board independently, a protection that ensures that the CCHE will have an opportunity to consider each campus in its own context.

For this agenda item, we have prepared example data of each public college and university and that of their peers. In preparing these data, we consulted with the campus CEOs, CFOs, and CAOs regarding the creation of peer institutions. DHE staff initiated this process by using peers that had previously been identified by the National Center for Higher Education Management Systems (NCHEMS) and approved by the CCHE in 2007. As some members of the CCHE may recall, the purpose of these peer lists was to develop a funding allocation model for the state. Though these peer lists were prepared for purposes other than comparing institutional performance, DHE staff decided to solicit feedback from the campuses on the existing lists of peers rather than attempting to reconstruct new lists from the ground up. During this process, several institutions requested modifications to their lists of peer institutions. Others offered new lists of peers. In both instances, DHE staff accepted the modifications, as this process was for illustrative, non-binding purposes.

Using each institution’s peer group, NCHEMS analyzed a variety of campus performance indicators. Keeping with the direction of the potential priority statewide performance objectives identified by the CCHE, data in Addendum A provide comparator information for the following example metrics:

Example Completion Indicators

- Full-time student retention rates
- Total graduation rates (within 150% of program time)
- **Note: National IPEDS data do not include information on transfers, so a metric for this could not be prepared by NCHEMS. It would have to be prepared by CDHE staff without the benefit of national comparator information.*

Example Access Indicators

- Minority graduation rates (within 150% of program time)
- Percent minority undergraduate enrollment

Example Productivity Indicators

- Total funding per FTE

- Total funding per degree/certificate awarded
- Undergraduate credentials per 100 FTE undergraduates

III. STAFF RECOMMENDATION

No recommendation. For discussion only.

STATUTORY AUTHORITY

23-1-108: Duties and Powers of the Commission with Regard to Systemwide Planning